EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT:
APRIL 2006 PROJECT PIPELINE UPDATE

This report was last updated on **27 March 2006**. The information contained on this report will reflect the status of each project and new project entries.

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I. INTRODUCTION AND GUIDE TO EBRD'S PROJECT PIPELINE:

Project finance is the EBRD's core business. The EBRD has committed more than €22.7 billion (about $29billion) to both private and state sector projects. All projects provide a number of procurement opportunities. U.S. companies can access information about EBRD's projects through the EBRD's website www.ebrd.com/oppor/procure/opps/index.htm.

The interval between identification of a project and its approval varies in every case. Each entry in the Project Pipeline identifies the status of a particular project in the project cycle.

After loans are approved, entries are dropped from the Project Pipeline and appear on the Projects Approved page of the EBRD's website.

We would like to draw U.S. companies' attention to state sector projects. In that they are followed with international tendering processes, whereas procurement under private sector projects are completed by the EBRD's client. In which case it would be important to contact the EBRD's client directly.

Inclusion of a project in the Bank's Project Pipeline does not imply any commitment on the part of the Bank to finance the project.

New projects, which appear in the Project Pipeline for the first time, are indicated by the abbreviation (N) before the project name. For additional information on any of these projects, interested parties are requested to contact the executing agencies directly and NOT the European Bank.

II. PROJECTS SCHEDULED FOR BOARD CONSIDERATION:

	Project name	Country	Date disclosed
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B	GTC Residential, Belgrade	Serbia and Montenegro	24 Mar 2006
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A.

Project name: Unibank A/B loan - II

Country: Azerbaijan

Project number: 36783

Business sector: Bank lending

State/Private: Private

Environmental category: FI

Board date: 25 April 2006

Status: Passed concept review, Pending final review

Date PSD disclosed: 24 March 2006
Date PSD updated:

Project description and objectives: The proposed project consists of a USD 7.5 million syndicated loan to an Azerbaijani private bank, Unibank.
The project will provide Unibank with access to international markets to raise medium term financing for on-lending to local private enterprises.

Transition impact: The project will play a significant role in mobilisation of new sources of funds by bringing foreign capital and new international financiers to the Azerbaijani financial sector. This will be the second syndicated loan arranged by EBRD to an Azerbaijani bank, as

private banks in Azerbaijan have very limited access to such types of funding. At present, IFIs are the only potential providers of medium and long term financing and the local capital market remains non-existent.
It is also expected that the project will have an impact on strengthening private sector companies' (primarily SMEs) development in Azerbaijan by promoting financial intermediation.

The client: Unibank Commercial Bank, an open joint-stock company, is one of the leading private banking institutions in Azerbaijan, that was incorporated in 2002 as a result of a merger between M-Bank and Promtechbank. EBRD is a 15% shareholder in Unibank.

EBRD finance: The project is a syndicated loan structured in two portions. EBRD will finance an A-portion (up to 3 years maturity) of the loan for up to USD 2.5 million, while a B-portion (1 year maturity extendable for another year on the consent of B-lenders) of the loan of up to USD 5.0 million is expected to be financed by the participating banks.

Total project cost: USD 7.5 million.

Environmental impact: Unibank will be required to carry out its operations in accordance with EBRD's Environmental Procedures for Local Banks. In implementing these procedures, the bank will require its borrowers to comply, at a minimum, with national and/or local health, safety, environmental and public consultantion requirements.

Technical cooperation: Not associated with this operation, but Unibank has been benefiting from two projects on the technical assistance:
(i) assistance of consultants helping Unibank to establish proper credit approval procedures and processes, and
(ii) assistance of consultants focusing on the issues of institutional building.
For consultant opportunities for projects financed by technical cooperation funds, visit procurement of consultants.

Company contact: Mr. Faig Huseynov, Chairman of the Management Board
Tel: +994 12 598 22 44/45

Business opportunities: For business opportunities or procurement, contact the client company.

B.

Project name: GTC Residential, Belgrade

Country: Serbia and Montenegro

Project number: 36914

Business sector: Property

State/Private: Private

Environmental category: B

Board date: 25 April 2006

Status:	Passed concept review, Pending final review
Date PSD disclosed: **Date PSD updated:**	24 March 2006
Project description and objectives:	The proposed project would finance in two phases the development and construction of a residential property comprising 20,300 sqm gross space. The project will consist of 180-220 residential units and underground space for 220 parking lots, located on Block 19a in New Belgrade adjacent to the office building GTC Belgrade II which the Bank is financing. The sale of the residential units has started before construction commences and is expected to be finished shortly after project completion. Target clientele is the growing Serbian middle-class.
Transition impact:	The proposed project would contribute to the improvement of the market structure. Currently the Belgrade residential market is facing a severe undersupply of good quality Western standard apartments targeting the middle-class, which is reflected in inflated and further growing prices for this property class. The Project would also have a demonstration effect on the market. Foreign developers are not yet active in residential development since they consider the related risks to be still too high. GTC can show that it is possible for a foreign developer to successfully complete a residential development in Belgrade.
The client:	The project will be carried out through GTC Business Park d.o.o., a Serbian legal entity, which is wholly owned by GTC Real Estate Investment Serbia B.V., a subsidiary of the Globe Trade Centre Poland S.A. Globe Trade Centre S.A. (GTC S.A.) is a leading developer in Central and Eastern Europe. Globe Trade Centre S.A. develops real estate projects in Poland, Hungary, the Czech Republic, Romania, Serbia and Croatia. The Company plans further expansion in other Central and Eastern European countries, including Slovakia, Bulgaria and Ukraine. The GTC Group has built and owns 250,000 square metres of net commercial space, as well holds an impressive portfolio of land which will be developed into additional 1 million square metres of commercial and residential space. GTC S.A.'s shares are included in the prestigious WIG20 index as well as in the MSCI international indices. GTC S.A. is the only company from Central and Eastern Europe that has joined the GPR 250 index, which includes the world's 250 leading and most liquid property stocks.
EBRD finance:	The proposed project involves a EUR 8.2 million construction loan from EBRD alongside a parallel loan for an amount of EUR 6.8 million from Raiffeisen Bank Serbia and Montenegro (RBSM). The loans will have two tranches mirroring the two phases of the project.
Total project cost:	EUR 23.3 million.
Environmental impact:	**Screening categories and rationale for classification** Development and construction of a residential development in Belgrade has some environmental impacts which can be readily identified and addressed through adequate mitigation measures and application of good international practice. For the above reasons, the EBRD has classified the project B/1, requiring an Environmental

Analysis and Audit of the proposed project.
Information reviewed during the environmental appraisal
The environmental due diligence is currently being conducted based on the review of the completed Environmental Questionnaire for Property Projects provided by the same Sponsor for the adjacent office building project in Belgrade (GTC Belgrade II).
Environmental impacts and mitigation measures
The Sponsor has carried out soil test and confirmed that the site is suitable for the project. The initial construction permit was granted in September 2005 and other permits are underway.
The Sponsor will be required to ensure that the project complies with national and EU environmental, health and safety standards and requirements. To achieve that, the Sponsor is committed to apply good international practice for all the aspect of the project.

Technical cooperation: None.
For consultant opportunities for projects financed by technical cooperation funds, visit procurement of consultants.

Company contact: Hagai Harel, GTC International B.V.
Tel: +31 20 664 88 84

Business opportunities: For business opportunities or procurement, contact the client company.

C.

Project name: Arges Country Regional Solid Waste Project

Country: Romania

Project number: 36477

Business sector: Municipal and environmental infrastructure

State/Private: Private

Environmental category: C

Board date: 27 June 2006

Status: Passed concept review, Pending final review

Date PSD disclosed: 22 March 2006
Date PSD updated:

Project description and objectives: The proposed project is the first of a two-phase integrated solid waste management programme for the whole Arges County, covering all of the County's municipalities and rural areas. It comprises:
(i) investments in a regional landfill and solid waste collection facilities;
(ii) rationalisation of waste services and concessioning to the private sector of landfill management and waste collection services; and
(iii) institutional development of regional waste monitoring, concession contract management and regulatory functions.

Transition impact: **Competition and private sector development**
Through the proposed project, waste services will be reorganised at

a scale which will enable competition and private sector involvement; a concession will be tendered for private landfill management on a long-term contract, and a small number of waste collection concessions will be tendered to enable a move from predominantly public sector collection to private collection across the region.

Technology transfer

The proposed project will enable dramatic improvements in technology, including modern leachate (water containing contaminants which leaks from a disposal site such as a landfill or dump) collection and treatment, transfer stations, weighing stations; "green points" for recycling and composting; and modern waste collection vehicles. Besides physical technology, the Project aims to develop a culture of recycling through public promotion campaigns and incentives.

Market expansion

Through a regional approach, and a Partnership Agreement between the County and the municipalities of the region, the Project will enable financing for waste management at the level of small and medium municipalities and rural areas as well as the larger municipalities such as Pitesti. The Project will therefore enable these smaller municipalities to be integrated into the broader waste management sector.

Framework for markets

The proposed project will build capacity at the County level for tendering and awarding private sector waste concessions, and for monitoring and regulating the concessionaires and the sector in general. Through the Project, tariffs will also be increased to cost recovery levels.

The client:	County of Agres, of which the main city is Pitesti in central Romania.
EBRD finance:	EBRD loan of EUR 6.5 million. Expected co-financing of EU ISPA grant of EUR 18 million.
Total project cost:	EUR 24.5 million.
Environmental impact:	The proposed project will significantly improve the environmental situation on the County and bring the waste management practices in the County into line with the applicable EU Directives (in particular the Landfill Directive) by investing into modernisation and expansion of the current Pitesti landfill, by closure and remediation of other existing landfills and uncontrolled dump sites; by constructing facilities for improved solid waste collection including new vehicles, containers for selective collection, composting units as well as by reorganising and rationalising the waste services and developing institutional capacity for waste management in the Judet. The project will subsequently improve the soil and sub-soil, air and water quality in the area, thus contributing to better living standards of the Arges County population.
Technical cooperation:	Provided by EU ISPA. For consultant opportunities for projects financed by technical cooperation funds, visit procurement of consultants.
Company contact:	Currently there is no contact at the County of Agres (EBRD contact Tom Bartos, Senior Banker, +44 20 7338 7390, or bartost@ebrd.com

Business opportunities:	For business opportunities or procurement, contact the client company.

D.

Project name:	Development of Water Services in Liepaja
Country:	Latvia
Project number:	36745
Business sector:	Municipal and environmental infrastructure
State/Private:	State
Environmental category:	
Board date:	31 May 2006
Status:	Pending concept review
Date PSD disclosed: **Date PSD updated:**	22 March 2006
Project description and objectives:	This project, is comprised of renovation of well-fields, rehabilitation of a wastewater treatment plant and wastewater facilities, improvements of water supply and wastewater collection in Karaosta suburb, reconstruction of water and wastewater networks; rehabilitation of drinking water river crossing network and procurement and installation of pumps and water meters. In addition, the EBRD will assess possibility to separate storm water from wastewater and will work on preparation of comprehensive service supply agreement that would include also remuneration for storm water treatment. The project benefits from the EU Cohesion Fund support.
Transition impact:	The transaction would demonstrate that revenue generating municipal utility companies in secondary towns in Latvia could be financed without recourse to a sovereign or a full municipal financial guarantee. This direct commercial lending to revenue earning utility would free up borrowing capacity of the City of Liepaja for investments in non-revenue earning services. Investment programme will decrease water leakage to 25 per cent. Assistance in preparation of a comprehensive service contract between the Company and the City would facilitate further commercialisation of Liepaja Water Company. Preparation of a pre-feasibility study on separation of wastewater from storm water would initiate a new service supply agreement under which the City would remunerate the utility for storm water treatment.
The client:	Liepaja Water provides water to 81,000 residents of Liepaja, and to 780 enterprises through its 140 kilometres water network by extracting water from 37 water wells. Population consumes 73 per cent of 12,640 m3 of water that is being supplied daily. Quality of water supplied corresponds to EU directive 98/83/EC. Total lengths of wastewater network amount to 186 kilometres and

	15 pumping stations are used to pump collected wastewater to Skede wastewater treatment plant. The wastewater treatment plant was built in 1972, however only mechanical treatment was performed at that time. Since 1998, the wastewater treatment plant ensures full biological treatment and treatment's efficiency is reported at 97 per cent.
EBRD finance:	The EBRD would provide a EUR 6 million loan to co-finance with the EU Cohesion Fund the project Development of Water Services in Liepaja.
Total project cost:	EUR 32.6 million.
Environmental impact:	The requested EBRD financing would assist the Republic of Latvia to implement the National Environmental Policy Plan, the National Environmental Action Plan and the State Programme 800+. Investments would enable Liepaja Water to reduce BOD, COD, suspended solids, nitrogen and phosphorus loads to surface waters by 59%, 37%, 52%, 38% and 32% respectively compared to the level of 2002. In addition, the transaction would enable the utility to comply with the following EU directives by 2011: (i) Directive 98/83/EC: Quality for Water Intended for Human Consumption for all inhabitants; (ii) Directive 91/271/EEC: Urban Wastewater Treatment; (iii) Directive 76/464/EEC: Quality for Bathing Water; (iv) Directive 86/278/EEC: Protection of the Environment when Sewage Sludge is used for Agriculture; and (v) achieve 95 per cent coverage for both water supply and wastewater treatment by lengthening water network by 7 kilometres and wastewater network by 11 kilometres in 2008..
Technical cooperation:	It is foreseen that the proposed project would include technical cooperation with the Regional Regulatory Unit and technical assistance to prepare a new comprehensive service supply agreement that amongst other things would include also remuneration for storm water treatment. For consultant opportunities for projects financed by technical cooperation funds, visit procurement of consultants.
Procurement or tendering opportunities:	Visit EBRD Procurement Enquiries: Tel: +44 20 7338 6794; Fax: +44 20 7338 7472, Email: procurement@ebrd.com

E.

Project name:	Berezitovy Gold Project
Country:	Russia
Project number:	35461
Business sector:	Natural resources
State/Private:	Private
Environmental category:	A
Board date:	3 May 2006
Status:	Passed structure review, Pending final review

Date PSD disclosed: **Date PSD updated:**	22 March 2006
Project description and objectives:	The proposed project is to develop the Berezitovy gold deposit and to construct a mine and processing factory in the Tynda District, Amur Region. The deposit will be developed by open pit mining and by recovering precious metals at the CIP plant.
Transition impact:	The transition impact potential of the project is derived from the positive influence of an experienced foreign investor on the Russian mining industry through demonstration effect associated with application of international best mining practices in design and development of a greenfield mining project in the Russian Far East and through increased transparency brought to the sector by TSE-listed sponsor. The Bank's involvement will promote the enhancement of safety and environmental standards and strengthen competition within the sector by stimulating domestic market participants towards more efficient utilisation of resources and modern production processes.
The client:	OOO "Berezitovy rudnik" is a Russian company that implements the project and holds the license to mine Berezitovy gold deposit. It is 99% owned by High River Gold Mines Ltd of Canada and 1% is owned by Amur region.
EBRD finance:	Loan of up to USD 25 million.
Total project cost:	USD 85.6 million.
Environmental impact:	This project has been screened A/1. The environmental due diligence of the project has been completed and included a review by an independent consultant of the Russian standard EIA and a Feasibility study to assess its adequateness and completeness vis-à-vis EBRD's Environmental Policy and pertinent EU standards. The Environmental Action Plan (EAP), developed for the project, contains mitigation measures for issues such as air emissions, impacts to soil, impacts to surface water and groundwater, cyanide management, waste management, site reclamation and environmental monitoring. The EAP also contains schedule for implementation of listed activities along with the allocated budget. EIA documentation and the EAP have been disclosed on 19 December 2005.
Technical cooperation:	None. For consultant opportunities for projects financed by technical cooperation funds, visit procurement of consultants.
Company contact:	OOO "Berezitovy Rudnik", "Bolshoi HUAFU" business centre, office 401, 4th Floor, 102 Krasnoarmeiskaya Street, Blagoveshensk, 675000, Amur Region, Russian Federation Contact: Mr. Anatoly Alexandrovich Zarukin, Deputy General Director for Public Relations and Government Liaison, Tel: +7 416 2 220689
Business opportunities:	For business opportunities or procurement, contact the client company.

F.

Project name:	HydroOGK- Modernization Loan
Country:	Russia
Project number:	36725
Business sector:	Power and Energy
State/Private:	State
Environmental category:	
Board date:	16 May 2006
Status:	Passed concept review, Pending final review
Date PSD disclosed:	16 March 2006
Date PSD updated:	
Project description and objectives:	Financing of the refurbishment of several units of the 10,000 MW Volga-Kama hydro cascade and development of renewable sources of energy.

Transition impact:

The proposed project is fully consistent with the Bank's Strategy for the Russian Federation BDS/RF/00-1 (Final). "In the context of its existing loan to RAO UES, the EBRD has signed a memorandum of understanding with the Russian authorities to work together towards reform of the electricity sector in a way which promotes transparency and competition. The EBRD will continue to proactively promote reform of this sector, particularly through its membership on the restructuring committee".
The Project is also in line with the Bank's Energy Operations Policy in promoting renewable sources of energy. In particular, the policy directs the Bank to engage in "policy dialogue with local authorities to develop suitable market-oriented regulation and incentives in support of renewable energies". The proposed loan to Hydro OGK will be a logical continuation of Bank's involvement in sector restructuring and market establishment, as well as efficiency improvement of the existing generation facilities, in particular, the hydro portfolio.

- **Promoting renewable sources of energy**
  The investment will facilitate the development of the renewable energy resources in Russia. While the progress of the electricity sector reform has been encouraging, little has been done in Russia to encourage the renewable energy resource development. As Hydro OGK has been tasked by the Government with the mission to head the development of non-traditional energy resources in Russia, the development of the regulatory and legal framework (where the project will allow to direct the TC funds) as well as financing of the alternative renewable component of the project will set the stage for the Bank's further involvement in this sector.

- **Facilitating sector restructuring**
  The proposed project will be a next logical step in the Bank's involvement in the Russian power sector restructuring which

began with the RAO UES Restructuring Loan. As part of the sector restructuring and unbundling, the long-term viability of Hydro OGK is paramount to the stability, reliability and success of the electricity sector reforms in Russia.

- **Promoting competitive market development**
  Strengthening the hydro capacity will ensure the system reliability and efficient wholesale market functioning. It is impossible to have a functioning market without the sufficient generation capacity and regulating reserve capacity. Hydro OGK is responsible for provision of 90% of the country's regulating reserves. The current technological obsolescence of the hydro generation portfolio is a substantial risk factor, which could adversely affect the transition to competitive relations in the power sector. Russia's low cost hydro will also ensure that as the competitive market evolves prices are still kept at an affordable level.

- **Promoting commercial efficiency and functioning**
  Through the hydro station equipment rehabilitation and replacement, the investment will facilitate increased efficiency and reliability of the whole electricity system in Russia. Severe underinvestment in the hydro generation capacity in the past has led to significant deterioration and obsolescence of the hydro generation portfolio, inefficient operation of facilities, loss of the capacity availability and high risk of accidents with serious environmental and social consequences.

The client:

The Federal Hydroelectric Power Generation Company (OAO Hydro OGK) was established in December 2004 as 100% subsidiary of RAO UES, one of the Bank's key clients, with the aim to own and operate the hydro generation facilities of Russia.
At the completion of the consolidation process, the company will own and operate 23 large scale hydro facilities and will be the largest power generator in Russia responsible for supplying 15-20% of the power market in Russia.

EBRD finance:

Senior Debt Facility (to be syndicated for a minimum of 50% of the hydro facility of 6 billion) of up to 6.3 billion Roubles (190 million Euro equivalent) to finance infrastructure upgrade/refurbishment (Rouble 6 billion)and development of renewables (Roubles 0.3 billion.

Total project cost:

RUR 10.9 billion.

Environmental impact:

The project requires an Initial Environmental Examination ("IEE") for determining the environmental classification and due diligence requirements. The environmental investigations will ascertain the project is structured to meet applicable Russian regulatory requirements, EU environmental standards and good international practice, including guidelines and recommendations of the relevant industry bodies (e.g. International Commission for Large Scale Dams). An environmental action plan will be agreed between the Company and the Bank to address corrective measures needed at the existing facilities as well as measures for strengthening corporate

environmental management.
This section will be updated and amended as soon as the IEE has been completed.

Technical cooperation:	Under this proposed financing, the Bank will also provide TC support for the development of necessary regulatory and legal infrastructure for renewable energy. The primary focus is currently on the wind as most promising in the Russian geographical and climate context. For consultant opportunities for projects financed by technical cooperation funds, visit procurement of consultants.
Procurement or tendering opportunities:	Visit EBRD Procurement Enquiries: Tel: +44 20 7338 6794; Fax: +44 20 7338 7472, Email: procurement@ebrd.com

G.

Project name:	Mittal Steel Kryviy Rih
Country:	Ukraine
Project number:	36813
Business sector:	General manufacturing
State/Private:	Private
Environmental category:	
Board date:	4 April 2006
Status:	Passed final review, Pending board approval
Date PSD disclosed: **Date PSD updated:**	3 March 2006
Project description and objectives:	The proposed project is to optimise the use of current production capacity, and increase the productivity and energy efficiency at Mittal Steel Kriviy Rih (the "Company") in Ukraine. The proceeds of the Loan will be used for targeted capital expenditures to achieve the above aims.
Transition impact:	Mittal Steel's investment in the Company is a landmark transaction for Ukraine and its transition to a market economy. It has the potential to demonstrate to other foreign investors the benefits arising from a transparent privatisation, successful restructuring and the introduction of international business management practices. The key sources of transition impact of the project will be: **Demonstration of successful restructuring** The acquisition of the Company by Mittal Steel reverses a flawed privatisation process and maximised the revenue gained by the country as a result of the privatisation. The Company's current production is partially based on outdated technology. Mittal Steel is planning to upgrade the technology, increase productivity and energy efficiency and shift the product portfolio towards higher value-added products; **Application of international business management practices**

The application by Mittal Steel of its proven procurement, technological and marketing skills and procedures can have a significant effect on the local steel community in Ukraine, which has been historically dominated by large domestic industrial groups;

Skill transfer

The integration of the Company in the Mittal Steel group will facilitate the spread of modern management skills at company and industry level. Mittal Steel maintains for all of its operations a knowledge sharing programme which enables Mittal Steel managers to share best practice management experience between plants belonging to Mittal Steel worldwide.

The client:	Mittal Steel Kriviy Rih, the largest Ukrainian steelworks (formerly "Krivorizhstal"). The Company is controlled by Mittal Steel Company N.V., the largest steel company in the world. Mittal Steel Company owns 93.02% of Mittal Steel Kriviy Rih.
EBRD finance:	Loan, USD 200 million.
Total project cost:	Approximately USD 500 million.
Environmental impact:	The project has been screened as B/1, requiring an Environmental Audit of the existing steel plant and iron ore mines as well as an Environmental Analysis of the proposed investment programme. The project involves provision of finance for the planned modernization programme at existing steel plant and iron ore mines. The planned investment programme will significantly improve the current environmental and safety performance of the steel plant and mine operations and new investments will be structured to allow long term attainment of EU environmental standards. The Bank as part of its due diligence is undertaking an Environmental Audit and Environmental Analysis by independent international consultants. Based on the findings of the environmental due diligence an Environmental Action Plan will be developed and agreed with Borrower. The PSD will be updated once the due diligence process is completed and an Environmental Action Plan is agreed with the Borrower.
Technical cooperation:	None. For consultant opportunities for projects financed by technical cooperation funds, visit procurement of consultants.
Company contact:	Frank Pannier Mittal Steel Kryvyi Rih 1 Ordzhonikidze Street Kryvyi Rih 50095 Ukraine Fax: +380 564 785 376
Business opportunities:	For business opportunities or procurement, contact the client company.

H.

Project name:	Garadagh Cement
Country:	Azerbaijan
Project number:	35708
Business sector:	General manufacturing
State/Private:	Private
Environmental category:	B
Board date:	25 April 2006
Status:	Passed final review, Pending board approval
Date PSD disclosed: **Date PSD updated:**	3 March 2006
Project description and objectives:	The Bank's equity investment will buy common shares representing a substantial minority equity stake in Garadagh Cement O.J.S.C. (the "Company").
Transition impact:	The main transition impact of the project will derive from the demonstration effect of a successful investment in the cement sector and the setting of standards of corporate governance and business conduct. In addition, the contemplated environmental and efficiency upgrade will assist Garadagh in achieving compliance with the EU environmental standards.
The client:	Garadagh Cement OJSC.
EBRD finance:	USD 10 million equity.
Total project cost:	USD 13.3 million.
Environmental impact:	The project has been screened C/1. A site visit and review of existing environmental studies, including an environmental baseline assessment and several studies to assess the levels of air emissions from the plant, showed that while the plant is not new there are several positive environmental factors associated with the facility. These positive factors include that the kilns are gas-fired, the main raw material (limestone) used in the process is waste material from another plant that cuts limestone into construction blocks, all technical water used onsite is waste water from the treatment plant for a nearby village and lastly, there is no industrial wastewater or industrial waste generated from site operations. The Company does not operate a quarry at present. The review of corporate environmental management showed that sustainable development is a priority to Holcim. It has established high corporate standards for management systems, resource utilisation and CO2, environmental impacts and stakeholder relations which are implemented in their operations world-wide. Holcim is a core member in "The Cement Sustainability Initiative ("CSI")" of the World Business Council for Sustainable Development ("WBCSD"), and is committed to implement the CSI guidelines at the Garadagh facility.

The main environmental issue from the plant is related to air emissions of dust from the kilns. While the plant generally complies with permitted emission limits, this local value is greater than international standards. The Company is committed to bring the dust emissions in compliance with the EU limit of 50mg/Nm3, which can be achieved either by installation of electrostatic precipitators to the existing wet kilns or by providing a new dry or semi-dry kiln to replace the existing wet kilns. This commitment and other environmental improvement investments and measures have been captured in the Environmental Action Plan ("EAP") as a condition of the Bank's participation. The implementation of the EAP will result in a substantial reduction in energy use and air emissions of dust, SO_2, NOX and CO_2 and bring the plant into compliance with EU environmental standards in accordance with Best Available Techniques guidelines for Cement and Lime production under EU Directive on Integrated Pollution Prevention and Control.

Technical cooperation: None.
For consultant opportunities for projects financed by technical cooperation funds, visit procurement of consultants.

Company contact:
Uwe Koehler, General Director.
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Azerbaijan
Tel: 00994124418888
Fax: 00994124461881
Email: uwe.koehler@garadagh.com

Business opportunities: For business opportunities or procurement, contact the client company.

I.

Project name: Somboled

Country: Regional

Project number: 36671

Business sector: Agribusiness

State/Private: Private

Environmental category: B

Board date: 4 April 2006

Status: Passed final review, Pending board approval

Date PSD disclosed: 2 March 2006
Date PSD updated:

Project description and objectives: The proposed project consists of financing the long-term modernisation and development of Somboled a.d. (the Company) mainly compromising
(i) capital investments and

	(ii) product portfolio restructuring including marketing and brand development of locally produced Serbian dairy products. The Company is a subsidiary of Lura d.d. Croatia (96,91% share as of December 31st, 2005). The Company's strategy is to become a market leader in niche segments of the dairy sector with nationwide presence. As part of the turnaround process, the Company plans to focus on improving its operating efficiency and shifting its production towards higher value added products.
Transition impact:	Transition impact derives from supporting a cross border investment and turnaround of the Serbian dairy company. In addition, backward linkages will be created and strengthened by increased relationship with the local farming community; The Company's aim is to lift the average milk production per cow as well as the quality of the milk, facilitate an increase in the size of farms within its network and increase the number of large suppliers.
The client:	Somboled, a.d. Sombor, a joint stock company incorporated in Serbia and Montenegro. The company is active in the production of milk, specialised cheese and yoghurt drinks.
EBRD finance:	Corporate loan up to EUR 10.0 million to Somboled.
Total project cost:	EUR 23 million.
Environmental impact:	The project is categorised as B/1. In the process of acquiring Somboled the Sponsor undertook an environmental audit and an environmental action plan has been agreed. As with all Bank investments, Somboled will be required to comply with national and applicable EU standards for environment, health and safety and with national labour laws.
Technical cooperation:	None. For consultant opportunities for projects financed by technical cooperation funds, visit procurement of consultants.
Company contact:	Branko Popovic, Somboled, A.D Sombor Tel: +381 25 467 300 Email: Branko.popovic@somboled.co.yu
Business opportunities:	For business opportunities or procurement, contact the client company.

J.

Project name:	Tbilisi International Airport
Country:	Georgia
Project number:	36385
Business sector:	Transport
State/Private:	Private
Environmental category:	B

Board date:	3 May 2006
Status:	Passed structure review, Pending final review
Date PSD disclosed: **Date PSD updated:**	2 March 2006
Project description and objectives:	The proposed project will include: (a) construction of a new international terminal, car park, improvements to the apron, taxiway and runway and acquisition of ground handling equipment at Tbilisi International Airport; and (b) construction works and modernisation of equipment and systems at Batumi Airport. The construction works are expected to be completed by the end of 2006 at Tblisi International Airport and by the mid-2007 at Batumi Airport. The new passenger terminal is required to support growing international traffic. The implementing Agency and the Borrower for the Project is TAV Urban Georgia, a concessionaire and SPV for the construction and operation of Tbilisi International Airport.
Transition impact:	The project will contribute to transition in the following ways: • Demonstration effect, which includes success of the concession in the long term; replication in other parts of this region, no government interference; and no major changes to the Concession Agreement. • Increased private ownership, given that Tbilisi International Airport will be built and operated by the private sector for the life of the concession. • Transfer of know-how, which includes the training of local staff at the airport and the introduction of more commercial practices.
The client:	TAV Urban Georgia, the Borrower, is a Special Purpose Vehicle ('SPV') established by the Sponsor to implement the project and represents a legal party to BOT (Build, Operate and Transfer) concession with the Tbilisi International Airport Company. The Sponsor, TAV URBAN Joint Venture consists of four partners, namely Tepe (30% of the total ownership); Akfen (30% of the total ownership); Sera (10% of the total ownership; and Urban (30% of the total ownership).
EBRD finance:	The investment is a Senior Loan of USD 27 million to TAV Urban Georgia. The project will be co-financed with the International Finance Corporation ('IFC') who will also provide a senior loan of USD 27 million.
Total project cost:	The total project cost is USD 77 million.
Environmental impact:	The project was screened B/1. Environmental due diligence, including a site visit by the Bank's Environmental Specialist confirmed that environmental issues associated with the construction

of new airport terminal and modernisation of existing facilities are unlikely to have significant environmental impacts and will bring about safety benefits. An Environmental Impact Assessment (EIA) has been undertaken in accordance with national requirements and an Environmental Management Plan (EMP) is being developed to ensure that the construction and operation of the new international terminal will meet International Civil Aviation Organization (ICAO) standards of safety and environment and applicable Georgian and EU environmental standards.

Technical cooperation:	None. For consultant opportunities for projects financed by technical cooperation funds, visit procurement of consultants.
Company contact:	TAV Urban Georgia Investment Construction and Operation Tel: (+995 32) 934052 Fax: (+995 32) 920958 Website: www.tav.com.tr Serkan KAPTAN, TAV Investments Director, Istanbul Ataturk International Airport 34149 Yesilkoy, Istanbul – TURKEY Tel: +90 212 465 55 55 ext. 6033 Fax: +90 212 465 31 00
Business opportunities:	For business opportunities or procurement, contact the client company.

III. ADDITIONAL INFORMATION AND ASSISTANCE:

A. US Advocacy Center-EBRD Liaison Office (AC-EBRD): AC-EBRD is an integral part of U.S. representation at the EBRD with a mandate to increase the effectiveness of U.S. participation in the Bank's projects. For more information about project opportunities at the European Bank for Reconstruction and Development (EBRD) please contact:

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Web: www.buyusa.gov/ebrd

Note: AC-EBRD can offer its services only to US companies. EBRD procurement opportunities can be viewed at www.ebrd.com/oppor/procure/opps/index.htm. An updated list of EBRD publications can also be found on the main website www.ebrd.com

B. **BISNIS:** The Business Information Service for the Newly Independent States (BISNIS). Countries covered: Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Russia, Ukraine, Uzbekistan. Web: www.bisnis.doc.gov Tel: +(202) 482-4655, Fax + (202) 482-2293.